GRUMMAN DAILY EDITION
plane news
November 11, 1981

SEC files suit

In a suit filed in U.S. District Court in Uniondale on Monday, the Securities and Exchange Commission (SEC) charged that Grumman violated the Securities Exchange Act of 1934 by allegedly having made false and misleading statements in its efforts to defeat the LTV takeover bid.

The SEC charges that Grumman failed to tell its shareholders and the investing public that the real reason its pension plan purchased over a million shares of Grumman stock was to keep it out of LTV's hands.

Grumman contends that it complied fully with the law, and denies that it misstated any facts. The company also denies further SEC allegations that it urged the Madison Fund, a publicly held investment company, to purchase Grumman stock in order to keep it "in friendly hands."

No court date has been announced.

The subject is on his mind

Sen. John Glenn of Ohio is interested in the LTV takeover situation. Many of his constituents are Grummanites who build Flxible buses, and many of the letters about the takeover have been addressed to him.

One of the letters he received was from Mike Wegler, a methods engineer in Plant 77 in Stuart, Florida.

"I believe your concerns are legitimate," he answered Wegler, "and have expressed those concerns about the future of Flxible directly to the chairman of the LTV Corporation. Also, I have written to Attorney General William French Smith to urge that the Department of Justice and other appropriate government agencies closely monitor both the proposed takeover and the law suit which is now pending in New York because of the potential implications involving the future of competition in both the defense and mass transit industries.

"You can be assured of my continued interest in helping to ensure that the jobs of the 3,000 Flxible employees in Ohio are not jeopardized."

This letter was in response to just one of the 40 letters Wegler sent to government officials. "I hope they did some good," says Wegler, who's been in Stuart for seven of his 21 years with Grumman. "We did get some nice replies. It gives them something to think about."

The letters gave his wife, Bette Jane, a former Grummanite, something else to do in addition to her job with the Stuart Planning and Zoning Department. She typed them all.

November 10, 1981 — Grumman shares closed at 28¼ today down 1; approximately 17,800 Grumman shares were traded.

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Published to keep you informed about the unsolicited takeover attempt.

Questions or comments? Contact us.

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